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How to Insure Every American

We don't need radical change. Subsidies and high risk pools can get the job done.

By JOHN SHADEGG AND PETE HOEKSTRA

When was the last time you asked your doctor how much it would cost for a necessary test or procedure? In all likelihood, you can't remember. That's because your employer-provided health plan or the government "paid for it." In fact, you paid. We all pay for health care.

There's no denying that our health-care system is complex. However, we can trace most of the problems in the current system to the lack of control individuals and families have over their care. If there's one lesson we've taken away from the thousands of citizens at town-hall meetings, it's that one massive health-care bill isn't the solution. Americans nationwide have voiced their desire for greater control over their care and for reform in digestible pieces.

Here's how the debate over health-care reform breaks down, and what we believe Congress can do to solve these crucial issues.

•*Costs and Control.* The health-care reform debate centers on how to lower the cost of care, and who should ultimately control health-care decisions. Under the current system, nobody is focused on controlling costs.

Roughly 60% of all health care in America is employer-provided. This third-party payment structure has divorced the consumer—the patient—from the real cost of services. It encourages excess spending, runaway lawsuits, defensive medicine (doctors ordering unnecessary tests and procedures out of fear of being sued), and huge malpractice premiums.

President Obama and Democrats in Congress say that a new federal health-care bureaucracy and a so-called public plan is the answer. They are wrong.

Government has caused the problems we face in health care. Our tax code incentivizes employer-provided health care, rewards health insurance companies by insulating them from accountability, and punishes those who lack employer-provided care.

Every night on television there are dozens of commercials from Geico, Progressive, Allstate and other companies offering us better auto insurance at lower costs. But there are virtually no commercials for health insurance. This is because the federal government protects health insurance companies from real competition. Insurers don't have to market to consumers. They only have to satisfy employers. In addition, a person living in New York, for example, is currently only permitted to purchase individual insurance in New York. Allowing competition across state lines would drive down cost tremendously.

We believe the solution to this problem is patient choice. What appears to be a free market in health care today is not. The health-care market is a stacked deck that favors insurance companies rather than patients.

We must stop punishing Americans who buy their own plan by forcing them to purchase their care with after-tax dollars, making it at least one-third more expensive than employer-provided care. Individuals should be able to take their employer's plan, or turn it down and select insurance of their own choosing without any tax penalty.

•*Pre-existing Conditions.* Americans agree that no one should go bankrupt because of a chronic disease or pre-existing conditions like multiple sclerosis or breast cancer.

In 2006, the Republican Congress and President Bush passed legislation encouraging states to create "high-risk" pools where those with pre-existing conditions could receive coverage at roughly the same rates as healthy Americans. State-based high-risk pools spread the cost of care for those with chronic diseases among all insurers in the market. The additional cost of their care is subsidized by the government.

Unfortunately, some states have not created high-risk pools, and some need to be restructured to ensure timely access to care. Republicans have proposed fixing this problem by expanding and strengthening this safety net, and by creating reinsurance or risk-adjustment pools so that Americans with chronic medical conditions can get the care they need at an affordable cost.

•*Uninsured Americans.* Most Americans recognize that the quality of health care in the U.S. is excellent. Thousands of foreigners come to America to get care each year; in 2008, some 400,000 people traveled here for treatment. The five-year survival rates for all cancers beat the rates in Canada, Europe and England. The problem is that some in America cannot access this care.

Republicans and Democrats agree that we should cover all Americans. In large part, we already do. Anyone in the country can walk into an emergency room and receive care regardless of his or her ability to pay.

The political disagreement is not whether to cover everyone, but how to do so. The president and congressional Democrats say we should create a new government-run plan, outlaw the health coverage Americans enjoy today, and let federal bureaucrats control the content and price of health plans. Their bill, H.R. 3200, is filled with more than a thousand pages of new mandates, penalties, regulations and taxes. It is nothing short of a complete takeover of the entire health-care system by Washington politicians.

We believe that all Americans deserve the ability to select health-care coverage that meets their needs—not the preferences of politicians. Republicans in Congress want to empower Americans to make their own choices by providing a dollar-for-dollar tax credit for you to purchase the plan of your choice. Those who cannot presently afford coverage would be able to select and purchase their own plan using a health-care voucher provided by the federal government.

If we give citizens the ability to control their own care, cover pre-existing conditions, and provide resources to the uninsured, we will have fixed health care in America. No bureaucrats. No new czars. No mandates. Just choice and coverage for every American.

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